

CIGARETTE TAX AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

LONG TITLE**General Description:**

This bill modifies provisions in the Cigarette and Tobacco Tax and Licensing Act.

Highlighted Provisions:

This bill:

- modifies the definitions of "cigarette" and "electronic cigarette."

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

59-14-102, as last amended by Laws of Utah 2020, Chapter 347

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **59-14-102** is amended to read:

59-14-102. Definitions.

As used in this chapter:

(1) "Alternative nicotine product" means the same as that term is defined in Section 76-10-101.

(2) "Cigarette" means a roll ~~[for smoking]~~ made wholly or in part of tobacco:

(a) regardless of:

(i) the size of the roll;

(ii) the shape of the roll; ~~[or]~~

(iii) whether the tobacco is flavored, adulterated, or mixed with any other ingredient;

~~[and]~~ or

(iv) whether the tobacco is heated or burned; and

(b) if the roll has a wrapper or cover ~~[of the roll]~~ that is made of paper or any other

33 substance or material except tobacco.

34 (3) "Cigarette rolling machine" means a device or machine that has the capability to
35 produce at least 150 cigarettes in less than 30 minutes.

36 (4) "Cigarette rolling machine operator" means a person who:

37 (a) (i) controls, leases, owns, possesses, or otherwise has available for use a cigarette
38 rolling machine; and

39 (ii) makes the cigarette rolling machine available for use by another person to produce
40 a cigarette; or

41 (b) offers for sale, at retail, a cigarette produced from the cigarette rolling machine.

42 (5) "Consumer" means a person that is not required:

43 (a) under Section 59-14-201 to obtain a license under Section 59-14-202;

44 (b) under Section 59-14-301 to obtain a license under Section 59-14-202; or

45 (c) to obtain a license under Section 59-14-803.

46 (6) "Counterfeit cigarette" means:

47 (a) a cigarette that has a false manufacturing label; or

48 (b) a package of cigarettes bearing a counterfeit tax stamp.

49 (7) (a) "Electronic cigarette" means the same as that term is defined in Section
50 76-10-101.

51 (b) "Electronic cigarette" does not include a cigarette or a tobacco product.

52 (8) "Electronic cigarette product" means the same as that term is defined in Section
53 76-10-101.

54 (9) "Electronic cigarette substance" means the same as that term is defined in Section
55 76-10-101.

56 (10) "Importer" means a person that imports into the United States, either directly or
57 indirectly, a finished cigarette for sale or distribution.

58 (11) "Indian tribal entity" means a federally recognized Indian tribe, tribal entity, or any
59 other person doing business as a distributor or retailer of cigarettes on tribal lands located in the
60 state.

61 (12) "Little cigar" means a roll for smoking that:

62 (a) is made wholly or in part of tobacco;

63 (b) uses an integrated cellulose acetate filter or other similar filter; and

- 64 (c) is wrapped in a substance:
- 65 (i) containing tobacco; and
- 66 (ii) that is not exclusively natural leaf tobacco.
- 67 (13) (a) Except as provided in Subsection (13)(b), "manufacturer" means a person that:
- 68 (i) manufactures, fabricates, assembles, processes, or labels a finished cigarette; or
- 69 (ii) makes, modifies, mixes, manufactures, fabricates, assembles, processes, labels,
- 70 repackages, relabels, or imports an electronic cigarette product or a nicotine product.
- 71 (b) "Manufacturer" does not include a cigarette rolling machine operator.
- 72 (14) "Moist snuff" means tobacco that:
- 73 (a) is finely cut, ground, or powdered;
- 74 (b) has at least 45% moisture content, as determined by the commission by rule made
- 75 in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
- 76 (c) is not intended to be:
- 77 (i) smoked; or
- 78 (ii) placed in the nasal cavity; and
- 79 (d) except for single-use pouches of loose tobacco, is not packaged, produced, sold, or
- 80 distributed in single-use units, including:
- 81 (i) tablets;
- 82 (ii) lozenges;
- 83 (iii) strips;
- 84 (iv) sticks; or
- 85 (v) packages containing multiple single-use units.
- 86 (15) "Nicotine" means the same as that term is defined in Section 76-10-101.
- 87 (16) "Nicotine product" means the same as that term is defined in Section 76-10-101.
- 88 (17) "Nontherapeutic nicotine device" means the same as that term is defined in
- 89 Section 76-10-101.
- 90 (18) "Nontherapeutic nicotine device substance" means the same as that term is defined
- 91 in Section 76-10-101.
- 92 (19) "Nontherapeutic nicotine product" means the same as that term is defined in
- 93 Section 76-10-101.
- 94 (20) "Prefilled electronic cigarette" means the same as that term is defined in Section

95 76-10-101.

96 (21) "Prefilled nontherapeutic nicotine device" means the same as that term is defined
97 in Section 76-10-101.

98 (22) "Retailer" means a person that:

99 (a) sells or distributes a cigarette, an electronic cigarette product, or a nicotine product
100 to a consumer in the state; or

101 (b) intends to sell or distribute a cigarette, an electronic cigarette product, or a nicotine
102 product to a consumer in the state.

103 (23) "Stamp" means the indicia required to be placed on a cigarette package that
104 evidences payment of the tax on cigarettes required by Section 59-14-205.

105 (24) (a) "Tobacco product" means a product made of, or containing, tobacco.

106 (b) "Tobacco product" includes:

107 (i) a cigarette produced from a cigarette rolling machine;

108 (ii) a little cigar; or

109 (iii) moist snuff.

110 (c) "Tobacco product" does not include a cigarette.

111 (25) "Tribal lands" means land held by the United States in trust for a federally
112 recognized Indian tribe.

113 Section 2. **Effective date.**

114 This bill takes effect on July 1, 2022.